

METROPOLITAN SWIMMING, INC.



BOARD OF DIRECTORS MEETING

Thursday, January 9, 2020

Nassau County Aquatic Center

PRESENT: Eric Fisher, Mary Fleckenstein, Allen Wone, Dom Boccio, John Alaimo, John McIlhargy, Mark Owens, Kate Hallex, and Dylan Cellamare. Guest Bob Vializ.

EXCUSED PRIOR: Monique Grayson, Jim Wargo and Robert Frawley.

ABSENT: BJ Reynoso, Brian Hansbury, John Yearwood, Stanley Wong and David Ellinghaus.

1. **WELCOME/ROLL CALL:** Eric Fisher welcomed everyone present at this meeting and called the meeting to order at 6:30pm. Eric thanked all those in attendance at the meeting.
2. **ACCEPTANCE/CORRECTIONS OF MINUTES:**
A motion to accept the minutes of the October 27, 2019 BOD as made, seconded and approved by all.
Motion carries.
3. **GUEST:** Bob Vializ – Patriot Swimming.
A discussion was held about the addition of a meet to the posted Metro calendar. Bob felt this diminished the size of the already posted meets. The Metro board discussed. There was a motion to email the meet hosts in question that the Board is empathetic to their situation, however, the Board followed appropriate procedures. The Board reviewed results of a survey done in December 2018, which revealed the major complaint was about officials. The Board will work toward reestablishing a Meet Host Committee. Motion was seconded. All were in favor. **Motion carries.**
4. **GENERAL CHAIR:** Eric Fisher
 - a. **New Office Space** – We are in the process of getting it set up (FIOS, phone, etc.) It should be done soon. The office furniture was donated by Eric’s company
There will be a posting for a permanent part time office assistant. No more than 20 hours a week, starting at \$15.00/hour
 - b. **Website Updates** – things are going well. We need things to be posted on the Age Group and Senior Pages. Meets results are posted quickly. Contact Eric if you need to have access or are having problems.
 - c. **Athletes Reps** – Senior Mets posting needs to go out. Athletes need to elect a new junior Athlete’s Rep.
 - d. **Metro Records** – We received an email from Dave Ferris – inconsistency with some records of the 17-18 age group due to swimmers that are in College but still registered to Metro while swimming with their college (but not representing Metro). Do we need to create P & P to clarify this?
It was suggested that we reach out to other LSC’s who may have experienced the same problems. Pulling the records out of SWIMS is the only accurate way to acknowledge the achievements. Senior Chairs will investigate how records, achieved by 18-year-old swimmers who are in college, are received in other LSC’s.
 - e. **Finance Chair** – Allen Wone – Discussion on some delinquent clubs. Finance meeting at the end of January – Committee Chairs need to submit proposed budgets.

- f. **Closed Session**
- g. **Investment Policy** - See the attached Metro Investment proposal that was recommended from our Finance Committee. Discussion on the general operating funds from 10 days to 60 days. A motion was made and seconded to accept this proposal. After discussion, a motion to amend the proposed policy of the 10 days to 60 days was made and seconded. All in favor. **Motion carries.**

5. OFFICERS REPORTS:

- a. **SAFETY CHAIR:** John McIlhargy
5 incidents at practice and 5 incidents at meets.
- b. **SENIOR CO-CHAIRS:** Jim Wargo and John Alaimo
Senior Mets will be short course prelims, long course finals, and time trials as needed.
All contracts are signed

6. OLD/UNFINISHED BUSINESS:

- a. None currently

7. NEW BUSINESS

- a. None currently

Next Meeting – BOD – March 3, 2020 at Mercy College

A motion to adjourn the meeting was made, seconded and approved by all. **Motion carries.** Meeting adjourned at 8:28pm.

Respectfully submitted by Monique Grayson based on Kate Hallex's notes.

February 5, 2020



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**BOARD OF DIRECTORS MEETING
Thursday January 9, 2020
Nassau County Aquatic Center**

1: CALL TO ORDER, WELCOME, and INTRODUCTIONS:

Excused prior to meeting: Robert Frawley, Jim Wargo, Monique Grayson

Roll Call:

NOT PRESENT

2: ACCEPTANCE/CORRECTIONS OF MINUTES:

Reports of officers

3: GENERAL CHAIR: Eric Fisher: Welcome –General Updates

- New Office
- Sr. Mets
- Website updates
- Athlete Rep
- Metro Records
- Investment Policy
- Closed Session
- NDAC/Pats

4: OFFICERS REPORTS: (**additional information or officer request for specific time)

- SECRETARY REPORT: Monique Grayson
- FINANCE CHAIR: Allen Wone
- SENIOR CHAIR: John Alaimo/Jim Wargo
- COACHES REPRESENTATIVE: John Yearwood
- TECHNICAL PLANNING: David Ellinghaus
- SAFE SPORT COORDINATOR: Brian Hansbury
- ADMINISTRATIVE VICE CHAIR: Dom Boccio
- AGE GROUP CHAIR: BJ Reynoso/Kate Hallex
- ATHLETES' REPRESENTATIVES: Mark Owens/Sydney Boals
- SAFETY COORDINATOR: John Yearwood
- At Large Athletes: Stanley Wong/ Robert Frawley

5. OFFICE MANAGER: Mary Fleckenstein

6: UNFINISHED/OLD BUSINESS:

7: NEW BUSINESS:

8: NEXT MEETING: March 3rd 2020 Mercy College

Adjournment

Metropolitan Swimming Inc.

BALANCE SHEET

As of January 7, 2020

	TOTAL
ASSETS	
Current Assets	
Bank Accounts	
1001 Checking	451,758.12
1005 Savings - Chase	215,703.02
1072 Bill.com Money Out Clearing	0.00
Total Bank Accounts	\$667,461.14
Accounts Receivable	
1100 Accounts Receivable	100,995.31
Total Accounts Receivable	\$100,995.31
Other Current Assets	
1007 Fidelity & Guaranty	222,280.34
1008 National Integrity	220,848.36
1200 Prepaid Expenses	0.00
1210 Credit Card Receivables	0.00
Undeposited Funds	2,539.00
Total Other Current Assets	\$445,667.70
Total Current Assets	\$1,214,124.15
Fixed Assets	
1300 Furniture & Fixtures	3,125.89
Depreciation	-156.30
Original Cost	0.00
Total 1300 Furniture & Fixtures	2,969.59
1301 Hall of Fame - Lehman	24,751.97
Depreciation	-4,254.67
Total 1301 Hall of Fame - Lehman	20,497.30
Total Fixed Assets	\$23,466.89
Other Assets	
Long-term Investments	13,189.00
Total Other Assets	\$13,189.00
TOTAL ASSETS	\$1,250,780.04
LIABILITIES AND EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
Accounts Payable	1,300.00
Total Accounts Payable	\$1,300.00
Credit Cards	
2200 American Express	0.00
Total Credit Cards	\$0.00
Other Current Liabilities	
2001 Accrued Expense	0.00

	TOTAL
2005 Deferred Revenue	9,375.00
Payroll Tax Liability	138.35
Total Other Current Liabilities	\$9,513.35
Total Current Liabilities	\$10,813.35
Total Liabilities	\$10,813.35
Equity	
3900 Retained Earnings	132,175.81
Opening Balance Equity	0.00
Temporary Restricted Funds	13,189.00
Unrestricted Funds	868,060.74
Net Income	226,541.14
Total Equity	\$1,239,966.69
TOTAL LIABILITIES AND EQUITY	\$1,250,780.04

Metropolitan Swimming Inc.

BUDGET VS. ACTUALS: FY 2019-2020 BUDGET - FY20 P&L

September 2019 - August 2020

	TOTAL			
	ACTUAL	BUDGET	OVER BUDGET	% OF BUDGET
Income				
5000.00 General Income Accts				
5001.00 Investment Income				
5001.10 Interest Income	4.20		4.20	
5001.20 Dividend Income		5,000.00	-5,000.00	
Total 5001.00 Investment Income	4.20	5,000.00	-4,995.80	0.08 %
5002.00 Fee & Surcharge				
5002.10 Sanctions Fee	1,675.00	20,000.00	-18,325.00	8.38 %
5002.15 Post Meet Fee (20%)	85,460.04	300,000.00	-214,539.96	28.49 %
5002.17 Senior Surcharge		1,000.00	-1,000.00	
5002.18 JO Surcharge	-883.00	16,000.00	-16,883.00	-5.52 %
5002.19 Silver/Bronze Surcharge	5,969.25	6,000.00	-30.75	99.49 %
Total 5002.00 Fee & Surcharge	92,221.29	343,000.00	-250,778.71	26.89 %
5005.10 Fines				
5005.17 Admins Fines	4,668.00	4,500.00	168.00	103.73 %
5005.18 Junior fines		100.00	-100.00	
5005.19 Senior Fines		100.00	-100.00	
Total 5005.10 Fines	4,668.00	4,700.00	-32.00	99.32 %
5006.00 Registrations				
5006.10 Club-Received	16,725.00	18,000.00	-1,275.00	92.92 %
7006.10 Club-Paid	-5,600.00	-6,000.00	400.00	93.33 %
Total 5006.10 Club-Received	11,125.00	12,000.00	-875.00	92.71 %
5006.20 Athlete-Received	666,428.00	700,000.00	-33,572.00	95.20 %
7006.20 Athlete-Paid	-528,083.00	-580,000.00	51,917.00	91.05 %
Total 5006.20 Athlete-Received	138,345.00	120,000.00	18,345.00	115.29 %
5006.30 Non Athlete-Received	62,681.13	70,000.00	-7,318.87	89.54 %
7006.30 Non Athlete-Paid	-51,524.00	-58,000.00	6,476.00	88.83 %
Total 5006.30 Non Athlete-Received	11,157.13	12,000.00	-842.87	92.98 %
5006.40 Transfers-Received	2,310.00	3,000.00	-690.00	77.00 %
5006.50 Flex Athletic-Received	6,620.00		6,620.00	
7006.50 Flex Athletic-Paid	-2,670.00		-2,670.00	
Total 5006.50 Flex Athletic-Received	3,950.00		3,950.00	
Total 5006.00 Registrations	166,887.13	147,000.00	19,887.13	113.53 %
5011.00 Misc - Office	-37.23		-37.23	
5014.00 Sales	2,612.00		2,612.00	
Total 5000.00 General Income Accts	266,355.39	499,700.00	-233,344.61	53.30 %
Total Income	\$266,355.39	\$499,700.00	\$ -233,344.61	53.30 %
GROSS PROFIT	\$266,355.39	\$499,700.00	\$ -233,344.61	53.30 %
Expenses				
6000.00 Zone Meets				
6003.00 Eastern Zone Meet Host	375.00		375.00	

	TOTAL			
	ACTUAL	BUDGET	OVER BUDGET	% OF BUDGET
Total 6000.00 Zone Meets	375.00		375.00	
6100.00 Athletics Service Program				
6110.00 Travel Reimbursement				
6110.11 SC Sectional	200.00	20,000.00	-19,800.00	1.00 %
6110.12 LC Senior Zone/Sectional	5,800.00	5,000.00	800.00	116.00 %
6110.14 SC NCSA Junior		30,000.00	-30,000.00	
6110.15 LC NCSA Junior	8,800.00	4,000.00	4,800.00	220.00 %
6110.16 LC Futures	1,200.00	20,000.00	-18,800.00	6.00 %
6110.18 USA JR National SC		10,000.00	-10,000.00	
6110.19 USA JR National LC	15,200.00	20,000.00	-4,800.00	76.00 %
6110.22 USA National/Open SC		5,000.00	-5,000.00	
6110.23 USA National/Open/Phillip66 LC	7,000.00	5,000.00	2,000.00	140.00 %
6110.30 USA Open Water Champ		1,000.00	-1,000.00	
Total 6110.00 Travel Reimbursement	38,200.00	120,000.00	-81,800.00	31.83 %
6120.00 Scholarships	-2,100.00		-2,100.00	
6120.10 Joseph Stetz Registration Income		-2,075.00	2,075.00	
7120.10 Joe Stetz Scholarship Awards		2,000.00	-2,000.00	
Total 6120.00 Scholarships	-2,100.00	-75.00	-2,025.00	2,800.00 %
6130.00 Programs				
6131.00 Age Group Zone Meet				
6131.10 LC Zone				
6131.11 LC Zone fees collected	10.00	-95,000.00	95,010.00	-0.01 %
7131.10 LC Zone Entries Fees Paid		7,000.00	-7,000.00	
7131.11 LC Zone Uniforms		35,000.00	-35,000.00	
7131.12 LC Zone Petty Cash & supplies	251.19	2,000.00	-1,748.81	12.56 %
7131.13 LC Zone Bus		25,000.00	-25,000.00	
7131.14 LC Zone Hotel & meals	954.56	77,000.00	-76,045.44	1.24 %
7131.15 LC Zone Board Member Travel	856.57	1,500.00	-643.43	57.10 %
Total 6131.10 LC Zone	2,072.32	52,500.00	-50,427.68	3.95 %
Total 6131.00 Age Group Zone Meet	2,072.32	52,500.00	-50,427.68	3.95 %
6133.00 Diversity Program	671.00	13,000.00	-12,329.00	5.16 %
6135.00 Disability		2,000.00	-2,000.00	
6137.00 Distance Meets		6,000.00	-6,000.00	
Total 6130.00 Programs	2,743.32	73,500.00	-70,756.68	3.73 %
Total 6100.00 Athletics Service Program	38,843.32	193,425.00	-154,581.68	20.08 %
6200.00 Officials				
6200.10 Travel Reimbursement	2,000.00	15,000.00	-13,000.00	13.33 %
6200.11 Clinic & Training Expenses	584.18	3,000.00	-2,415.82	19.47 %
6200.12 BGC Reimbursement	1,191.00	4,000.00	-2,809.00	29.78 %
6200.13 Incentives	2,245.15	4,000.00	-1,754.85	56.13 %
Total 6200.00 Officials	6,020.33	26,000.00	-19,979.67	23.16 %
6300.00 Coaches Programs				
6310.00 Coaches Clinic/Mentoring Program		20,000.00	-20,000.00	
Total 6300.00 Coaches Programs		20,000.00	-20,000.00	
6400.00 BOD				
6410.00 USAS Conferences/Convention Fee	598.50	24,000.00	-23,401.50	2.49 %
6410.20 Travel Expenses	10,569.29		10,569.29	

	TOTAL			
	ACTUAL	BUDGET	OVER BUDGET	% OF BUDGET
6410.30 Par Diem/Meals	7,076.97		7,076.97	
Total 6410.00 USAS Conferences/Convention Fee	18,244.76	24,000.00	-5,755.24	76.02 %
6411.00 EZ Conferences & Conventions	97.44	1,000.00	-902.56	9.74 %
6411.20 Lodging/Transportation	38.81	4,000.00	-3,961.19	0.97 %
6411.30 Par Diem/Meals		400.00	-400.00	
6411.40 Eastern Zone Dues		2,600.00	-2,600.00	
Total 6411.00 EZ Conferences & Conventions	136.25	8,000.00	-7,863.75	1.70 %
6420.00 BOD Travel Reimbursement	560.82	2,500.00	-1,939.18	22.43 %
6430.00 Board Members Clinics	2,279.37		2,279.37	
6440.00 Committees				
6441.00 Review Committee		500.00	-500.00	
Total 6440.00 Committees		500.00	-500.00	
6450.00 BOD Misc Expenses	3,205.94		3,205.94	
Total 6400.00 BOD	24,427.14	35,000.00	-10,572.86	69.79 %
6500.00 Clubs Recognition				
6510.00 Club Excellence Program		40,000.00	-40,000.00	
Total 6500.00 Clubs Recognition		40,000.00	-40,000.00	
6600.00 Administration & Operations Support				
6601.00 Salary & Wages	25,345.74	95,000.00	-69,654.26	26.68 %
6601.10 Payroll Tax	1,938.94	11,000.00	-9,061.06	17.63 %
6601.20 Workers Comp Insurance	867.24	3,000.00	-2,132.76	28.91 %
6601.30 ADP Payroll Service Fee	583.83	1,000.00	-416.17	58.38 %
Total 6601.00 Salary & Wages	28,735.75	110,000.00	-81,264.25	26.12 %
6605.00 IT Service Fee				
6605.10 Web Site ChargesB		1,200.00	-1,200.00	
Total 6605.00 IT Service Fee		1,200.00	-1,200.00	
6606.00 SWIMS Stipends		5,000.00	-5,000.00	
6607.00 All Office Essential Supplies	112.58	4,000.00	-3,887.42	2.81 %
6607.10 Annual Membership/Program Dues	189.00	500.00	-311.00	37.80 %
6607.20 Printing/Ink/Paper	869.90	500.00	369.90	173.98 %
6607.30 Postage/Mailing	17.35	1,000.00	-982.65	1.74 %
6607.40 Misc Expenses	40.45	500.00	-459.55	8.09 %
Total 6607.00 All Office Essential Supplies	1,229.28	6,500.00	-5,270.72	18.91 %
6608.00 Operation Expenses				
6608.10 Internet Expense	810.55	2,500.00	-1,689.45	32.42 %
6608.20 Telephone	275.03	1,200.00	-924.97	22.92 %
6608.30 Storage Room Rental	340.00	900.00	-560.00	37.78 %
6608.50 Professional Service Fee	15,337.50		15,337.50	
6608.60 Subscription Fee	595.00		595.00	
6608.61 QB Monthly Fee(current)	29.85	600.00	-570.15	4.98 %
6608.62 QB Fee (old)	29.85		29.85	
Total 6608.60 Subscription Fee	654.70	600.00	54.70	109.12 %
6608.70 Office/General Administrative Expenses	2,000.00		2,000.00	
Total 6608.00 Operation Expenses	19,417.78	5,200.00	14,217.78	373.42 %
6609.00 Office Equipment/Hardware		1,000.00	-1,000.00	
6610.00 Bank & Credit card expenses	14,882.44	30,000.00	-15,117.56	49.61 %
6610.10 Bank Service Charge/Fee	210.00		210.00	

	TOTAL			
	ACTUAL	BUDGET	OVER BUDGET	% OF BUDGET
Total 6610.00 Bank & Credit card expenses	15,092.44	30,000.00	-14,907.56	50.31 %
6611.00 HOD/BOD Meetings	2,143.79		2,143.79	
6611.10 Refreshment - BOD/ LSC	373.58	2,750.00	-2,376.42	13.58 %
Total 6611.00 HOD/BOD Meetings	2,517.37	2,750.00	-232.63	91.54 %
6614.00 State Filing Fees		100.00	-100.00	
6615.00 Hall of Fame	5,000.00		5,000.00	
6615.10 Hall of Fame dinner payments		-4,000.00	4,000.00	
6615.20 Hall of Fame Dinner - caterer		3,000.00	-3,000.00	
6615.30 HOF - Display		5,000.00	-5,000.00	
Total 6615.00 Hall of Fame	5,000.00	4,000.00	1,000.00	125.00 %
6630.00 Golden Goggles Dinners				
6630.10 Golden Goggles Dinner		12,000.00	-12,000.00	
Total 6630.00 Golden Goggles Dinners		12,000.00	-12,000.00	
6635.00 Donation -		5,000.00	-5,000.00	
6640.00 Other Misc Expenses	204.01		204.01	
6650.00 Metro Run Meets				
6650.10 Sr. Mets SC				
6650.12 SrM - SC Meet Entries		-20,000.00	20,000.00	
6650.13 SrM - SC Admissions & Programs		-10,000.00	10,000.00	
6690.11 SrM - SC Personnel/Admin/AO		5,000.00	-5,000.00	
6690.12 SrM - SC Pool rental		17,000.00	-17,000.00	
6690.13 SrM - SC Officials (Evaluator/MR/TLCJ)		1,250.00	-1,250.00	
6690.14 SrM - SC Refreshments		3,000.00	-3,000.00	
6690.15 SrM - SC Awards		875.00	-875.00	
6690.16 SrM - SC Misc Supplies Expenses		1,000.00	-1,000.00	
Total 6650.10 Sr. Mets SC		-1,875.00	1,875.00	
6650.20 Sr Mets - LC				
6650.22 SrM - LC Meet Entries		-20,000.00	20,000.00	
6650.23 SrM - LC Admission & Programs		-10,000.00	10,000.00	
6690.21 SrM - LC Personnel/Admin/Ao		4,000.00	-4,000.00	
6690.22 SrM - LC Pool Rental		17,000.00	-17,000.00	
6690.23 SrM - LC Officials(Evaluator/MR/TLCJ)		1,250.00	-1,250.00	
6690.24 SrM - LC Refreshments		3,000.00	-3,000.00	
6690.25 SrM - LC Awards		1,000.00	-1,000.00	
6690.26 SrM - LC Misc Supplies Expenses		1,000.00	-1,000.00	
Total 6650.20 Sr Mets - LC		-2,750.00	2,750.00	
6650.40 Open Water	-805.49	4,000.00	-4,805.49	-20.14 %
Total 6650.00 Metro Run Meets	-805.49	-625.00	-180.49	128.88 %
Total 6600.00 Administration & Operations Support	71,391.14	182,125.00	-110,733.86	39.20 %
Total Expenses	\$141,056.93	\$496,550.00	\$ -355,493.07	28.41 %
NET OPERATING INCOME	\$125,298.46	\$3,150.00	\$122,148.46	3,977.73 %
Other Expenses				
6700.00 Depreciation	347.32		347.32	
Total Other Expenses	\$347.32	\$0.00	\$347.32	0.00%
NET OTHER INCOME	\$ -347.32	\$0.00	\$ -347.32	0.00%
NET INCOME	\$124,951.14	\$3,150.00	\$121,801.14	3,966.70 %



January 2020 Board of Directors Meeting
Metropolitan Swimming Finance Vice-Chair Report

Delinquent Clubs

- Discussion over some delinquent clubs

Budget 2020-2021

- Committee chairs please send in new requests
- There will be a finance committee meeting at the end of January for budget discussion.

Office Space/Employee Compensation

- Discussion over office space
- Request move to closed executive session for discussion one 1 item.

Metropolitan Swimming, Inc.

INVESTMENT POLICY

This statement of investment policy has been adopted by the Board of Directors of Metropolitan Swimming, Inc. to provide instructions regarding investments held by the Corporation. This policy statement assumes that Metropolitan Swimming, Inc. maintains a system of internal controls sufficient to safeguard assets against fraud and malfeasance and to monitor compliance with this policy. This policy may only be modified by action of the full Board of Directors in response to changes in the business environment in which Metropolitan Swimming, Inc. operates and external economic conditions.

The following definitions identify the types of funds held by Metropolitan Swimming, Inc.:

General Operating Funds or Checking Account (GOA): Funds in the GOA are checking account funds to cover cash needs for the next 60 days. All checks issued by Metropolitan Swimming, Inc. are issued from this account. As such, the balance in this account should not exceed short-term cash needs plus a \$10,000 cash cushion. All receipts of Metropolitan Swimming Inc. shall be deposited to these accounts.

Restricted Operating Funds or Money Market Deposit Accounts (ROA): Funds in the ROA are unrestricted operating funds invested in one or more money market deposit accounts. No checks are written against these accounts. Funds in these accounts are held to provide sufficient reserve to meet current business cycle expenses. While the balance allowed to be maintained in these accounts is not specified in this policy, the Board of Directors should formally review the balances on a quarterly basis to insure (1) Adequate liquidity to meet short term cash requirements and (2) insure that funds in excess of short term needs are invested in CD's or mutual funds.

Certificates of Deposit (CDs): Funds invested in CDs are unrestricted operating funds invested in CDs of various maturities in order to attain a higher rate of return than is available from money market deposit accounts.

Mutual Funds: Funds invested in mutual funds are unrestricted operating funds that are invested for a longer period of time in an attempt to attain a higher return than is available through CDs or money market deposit accounts.

Metropolitan Swimming, Inc.

INVESTMENT POLICY

Investment Objectives

1. Liquidity: Maintain sufficient liquidity to meet expected operating requirements and provide an appropriate reserve for unexpected needs.
2. Preservation of Capital and Purchasing Power: Invest funds prudently so as to insure a high probability of preserving capital while balancing this objective with the need to protect against buying power erosion caused by inflation.
3. Asset Performance: Attain an annual return on assets that is at least equal to the general rate of inflation plus 1%. For purposes of this test, inflation is measured by the growth in the CPI-W index as published by the US Department of Commerce.

Investment Guidelines

1. General Operating Funds or Checking Accounts (GOA): Allowable investments include U.S. federally insured bank and savings and loan institutions. While it is permissible to maintain an average balance in excess of the federally insured maximum of \$100,000 in a single institution, only funds needed to satisfy the immediate short-term 10-day cash requirements should be invested here.
2. Restricted Operating Funds or Money Market Deposit Accounts (ROA): Allowable investments include U.S. federally insured money market deposit accounts at federally insured bank and savings and loan institutions. While it is permissible to maintain an average daily balance in excess of the federally insured maximum of \$100,000 consideration should be given to spreading funds among several different institutions in order to minimize exposure to bank failure.
3. Certificates of Deposit (CDs): Allowable investments include U.S. federally insured certificates of deposit at federally insured bank and savings and loan institutions. The maximum initial deposit in any single CD is \$100,000. While it is permissible to purchase multiple CDs at a single institution consideration should be given to spreading funds among several different institutions in order to minimize risk of bank failure. CD's should be purchased in varying lengths so as to stagger maturities and maturity dates. In no event may a CD's term be greater than five years.
4. Mutual Funds: Allowable investments include mutual funds that invest in both U.S. and international equities, bonds and money market instruments.

Metropolitan Swimming, Inc.

INVESTMENT POLICY

Funds invested in mutual funds should be viewed as long term investments (at least 5 - 10 years) intended to ensure real growth of capital to meet future needs. Mutual fund investments should utilize an asset allocation model that results in exposure to a broad spectrum of the overall equity market sectors and both U.S. Treasury and Corporate bond funds. No more than 30% of funds invested in mutual funds may be devoted to a single market sector. A practice of mirroring USA Swimming's investment portfolio allocation is an appropriate, but not required strategy.

Fund Allocation Guidelines

1. General Operating Funds or Checking Accounts (GOA): 60 days operating expenses plus \$10,000.
2. Restricted Operating Funds or Money Market Deposit Accounts (ROA): The funding to meet liquidity needs is periodically reviewed and determined by the Board of Directors.
3. Mutual Funds: May invest up to 25% of funds provided the needs of the GOA and ROA are fully satisfied.
4. Certificates of Deposit (CDs): All funds not invested elsewhere in varying maturities. No single CD upon issuance may exceed \$100,000 or five years in length.

Prohibited Activities

1. Loans to any Metropolitan Swimming, Inc. individual member or Metropolitan Swimming, Inc. club.
2. Opening of bank accounts or investing funds without Board of Director approval.
3. Granting credit or making loans to any party without approval of the Board of Directors.
4. Allowing access to more than 20% of Metropolitan Swimming, Inc. funds by a single individual.
5. Trading in individual equity or bond securities.